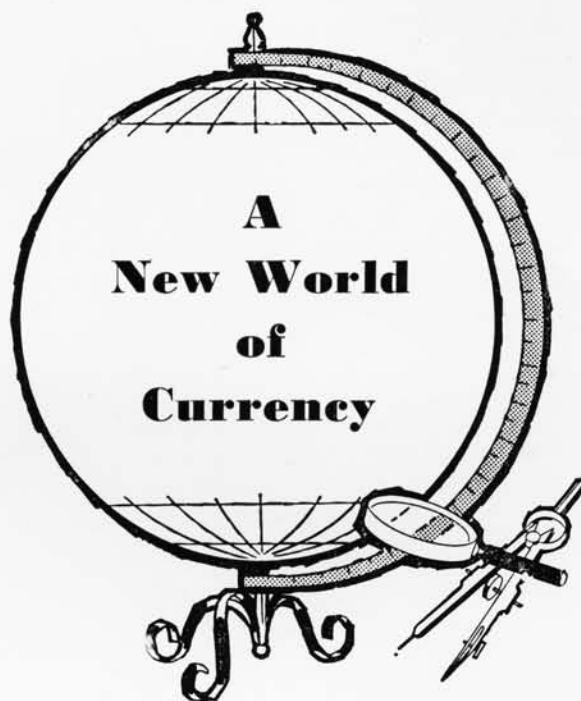


# *Paper Money*

DEVOTED TO THE STUDY OF CURRENCY



**Vol. 4**

**WINTER 1965**

**No. 1**

Whole No. 13

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OF

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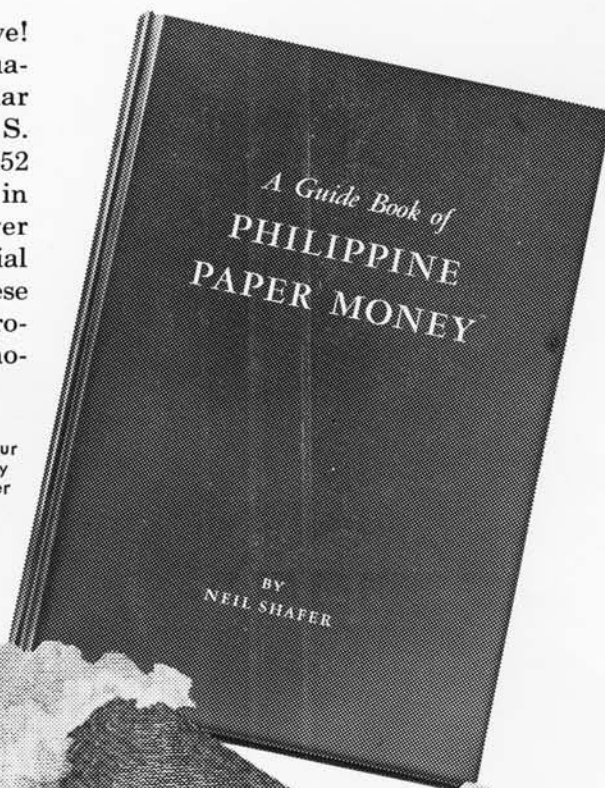
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Assistant Editor .....Fred R. Marckhoff, 552 Park St., Elgin, Ill.

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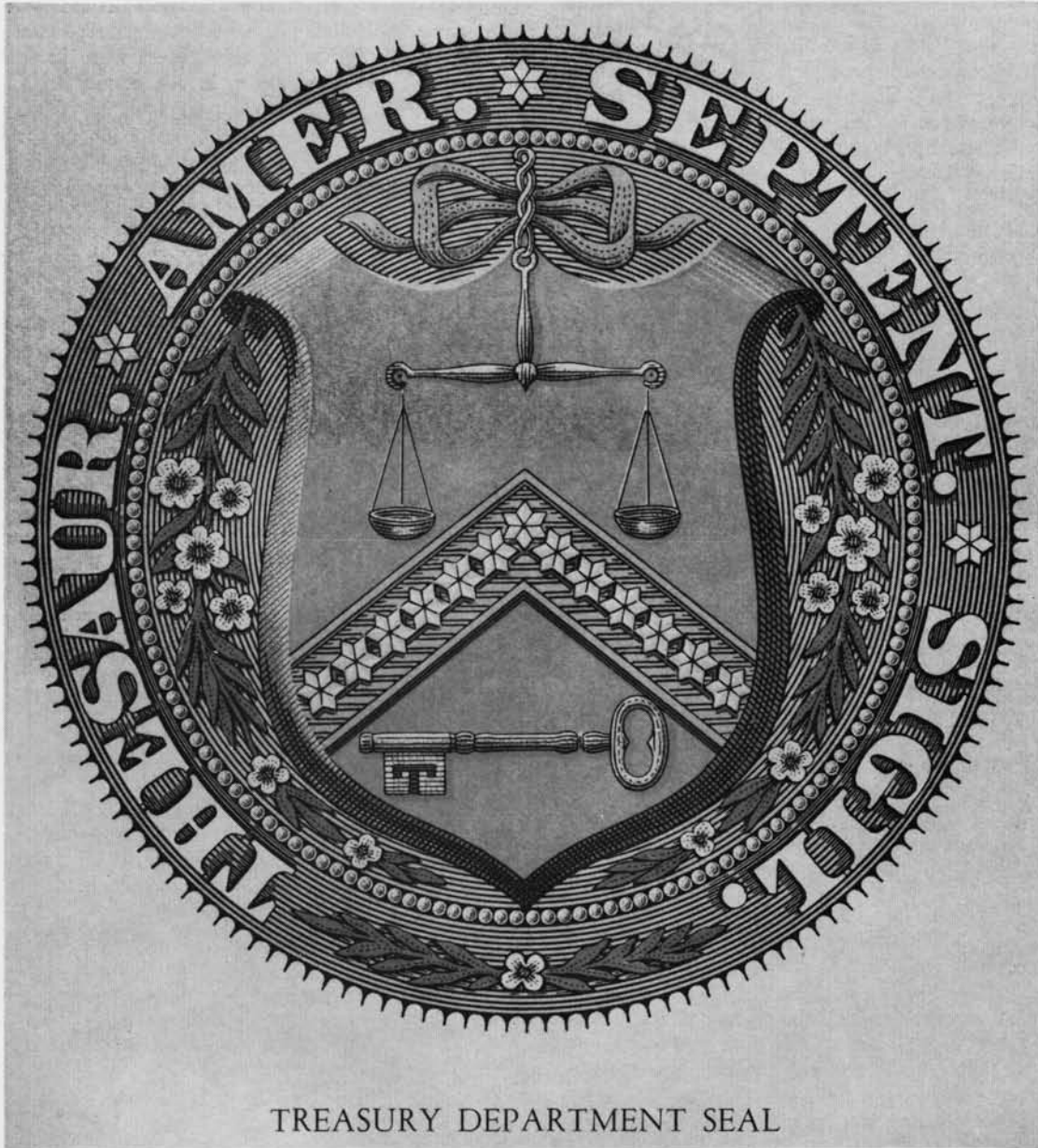
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The end of 1964 also means the end of a fiscal year for the Society. 1965 dues are due. It would be very much appreciated if each member who has not paid his 1965 dues would send his check or money order in the amount of \$4, payable to the Society. Members with numbers 908 through 1023 please remit \$3, and members with numbers 1023 through 1089 please remit \$2. These members were given credit for issues of PAPER MONEY that they did not receive because we gained new members faster than we anticipated. Prompt payment of your dues will save your Secretary many hours of work sending reminders to you. 1965 membership cards will be mailed as soon as your dues are received. This is the last issue of "PAPER MONEY" that will be sent to members whose dues are unpaid.



# The Treasury of North America

By Edward R. Barnsley



Seal of the Treasury of North America, inscribed "Sigillum Thesaurus Americus Septentrio"

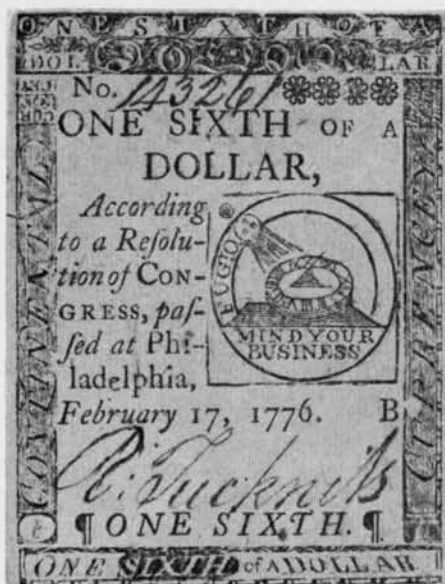
Well known to everyone is the vast circulation of our country's paper currency in astronomical figures; for example, the outstanding dollar bills alone number one and a half billion. Much lesser known to the general public is the strange fact that all of this great paper wealth is signed by the Treasurer of the United States, but is sealed instead by the seal of the Treasury of North

America. This situation has existed for over a century. To find out how this inconsistency occurs, we must first turn back to those historical records that deal with the formative years of our Republic.

Following the meetings of the First Continental Congress in 1774, the British colonies and provinces therein

assembled were generally known by the simple, collective name of The United Colonies. This name is believed to have been a carry-over from that 17th Century league for friendship and mutual advice known as The United Colonies of New England.

In May and November of 1775, and February and May of 1776, the Congress emitted its first four issues of currency, or rather "Bills of Credit" as this paper money was more properly called. All of the various denominations, ranging from 30 down to one-sixth of a Spanish milled dollar, carried at appropriate places in their framed borders the name of the issuing authority, The United Colonies.



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No country is indicated on this lowest denomination of Continental Currency, 1776.

Then on June 7, 1776, Richard Henry Lee of Virginia made his revolutionary motion that "These United Colonies are, and of right ought to be, free and independent States." His wording is supposed to have been thus phrased because the term "colony" implied a certain distasteful status of dependence upon England, while the word "state" implied autonomy. Therefore, as the desire for independence was developing, most writers were already using the word "state" instead of "colony." Consequently, when a Congressional Committee was named to draft a declaration in support of Lee's resolution, it was logical to call it, "The unanimous Declaration of the thirteen United States of America."

An interesting numismatic observation following review of these widely known historic facts is that the first three emissions of Continental Currency released after July 4, 1776, continued, nevertheless, to bear the inscription United Colonies rather than United States of America. This oversight was no doubt due to the exigencies of war plus the physical difficulties of preparing new cuts.

On September 9, 1776, the country's lawmakers decided "that in all continental commissions, and other instruments, where, heretofore, the words United Colonies have been used, the style be altered, for the future, to the United States". The next two issues, November 2, 1776, and February 26, 1777, continued to bear the appellation of The United Colonies in spite of the intent of this resolution. It was not until the currency issue of May 20, 1777, that the frames were in fact changed to read The United States in conformity with the resolution quoted.



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Barbara R. Mueller photograph

The United Colonies, 1777

On November 15, 1777, the final draft of the Articles of Confederation was completed, but the document itself was not adopted and ratified by all thirteen states until three and one half years later. So the two series of Continental Currency emitted in 1778, although incorporating newly designed frames, did, nevertheless, continue to use the title The United States rather than the correct appellation The United States of America, as required by the Confederation.



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The United States 1778. This note is signed by James Wilson, who also signed the Declaration of Independence.

The Congress on September 26, 1778, appointed a Committee to "prepare a seal for the treasury and for the navy." Rev. John Witherspoon, Gouverneur Morris and Richard Henry Lee constituted this committee, and the seal they devised had a Latin legend which translates literally, "The Seal of the Treasury of North America." At least we assume that is the legend on the seal they designed, because the Journals of the Continental Congress fail to indicate that the said committee ever made a report. Subsequent research likewise fails to reveal when the seal of our Treasury Department was adopted. Most evidence indicates that the seal has never been adopted as such by either the Continental or the Federal Congress.

Many writers believe that the Treasury seal was undoubtedly the personal handwork of Robert Morris, financier of the Revolution, even although he had not been appointed an official member of the design committee. Positive proof of this thesis is lacking. In any event, whoever masterminded the job reflected a prevalent idea that the Treasury of the Continental Congress should in fact embrace the territory of the entire continent; viz, North America. There was, indeed, hope in certain quarters of the Confederation being greatly enlarged by merger with the Province of Quebec, the official name by which Canada had been known since 1764 when the British established civil government there. Continental Congress meant a Congress of the Continent, so why shouldn't our Treasury be a Treasury of the Continent; i.e., North America?

On January 14, 1779, the Congress authorized its eleventh and final issue of Continental Currency in the amount of \$140,052,480. In conformity to the name of the Continental treasury as spelled out on its seal reportedly adopted a few months previously, new frames were designed reading, "United States of North America." This emission became, therefore, our only issue of paper money ever to carry this name of our country as such. The title United States of America was consequently never carried on any of our 11 issues of Continental Currency. Paragraph No. 6 of the aforementioned enabling Resolution stated:



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The United States of North America, 1779

"That for preventing the counterfeiting of the said bills, new stamps with additional checks be provided, and a sufficient number of proof sheets struck, and sent, with the signatures of each signer, to the assemblies of the respective states, to be lodged by them under proper regulations in public offices in the several counties, towns, and districts, for the benefit of the inhabitants of the United States."

On February 20, 1781, Robert Morris was elected Superintendent of Finance, and on May 17 following he presented to Congress his plan for establishing The Bank of North America. On December 31, 1781, this institution, which played such a noble part in helping the new Republic through its early financial trials, was incorporated by Congress with a perpetual charter. It is interesting to know that this Bank founded by Morris now has 45 branches and flourishes as the largest institution of its kind in Philadelphia under the merged title of First Pennsylvania Banking and Trust Company.

Robert Morris seems to have been the principal public official who wanted to use the words "North America"—influenced possibly by his North America Land Company. After all, he probably figured, some day there might be a United States of South America or a United States of Central America. He induced Congress to set up the Mint of North America to help the Bank of North America stabilize the coinage and currency of the new country.



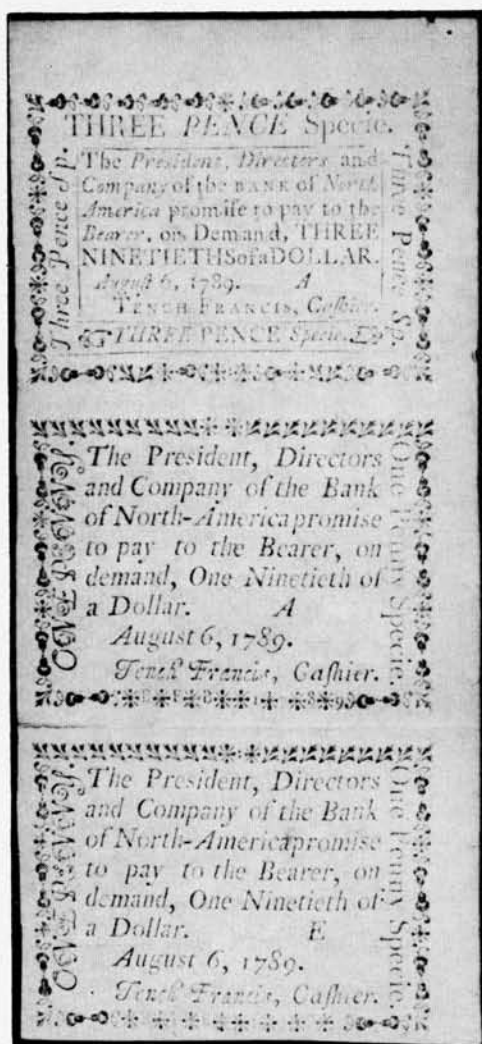
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Highest denomination of Colonial Currency  
on United States of North America note, 1779

It was on February 21, 1782, that Congress approved the establishment of this Mint of North America, but nothing really came out of the proposal other than the preparation of four pairs of Coinage dies from which were struck the famous Nova Constellatio pattern pieces in silver, all of which were dated 1783. It should be noted here that The Mint of North America had absolutely nothing to do with production of the popular "North American Token" dated 1781. These coins were struck in Dublin, Ireland, at a date much later than that indicated on their obverses. On February 8, 1783, Mr. Morris recorded in his diary that he had paid Jacob Eckfeldt five dollars and eighteen-ninetieths of a dollar "For Dies for the Mint of North America." Jacob was



the father of Adam Eckfeldt, an employe of the United States Mint from 1792 to 1840, and a prominent figure in its early history.



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Fractional notes of the Bank of North America, 1789. These were suggested by Benjamin Franklin, who supplied the paper on which his grandson, Benjamin Franklin Bache, printed them.

The present Department of the Treasury can furnish no conclusive information as to why the Latin legend of its 1778 seal reading Treasury of North America was not changed upon final adoption of the Articles of Confederation on March 1, 1781, inasmuch as its Article I declared, "The style of this confederacy shall be The United States of America." Again, the Constitution which became the supreme law of the nation on June 21, 1788, clearly stated in its preamble that the people had ordained and established it for "the United States of America." Yet the old Treasury seal of North America continued on, unchanged.

Beginning with our first dollar bill in 1862, and excepting only some varieties of fractional currency, every single piece of paper money issued by the United States Government, totaling millions upon millions of dollars, have all been imprinted with the seal of the Treasury of North America, latinized and abbreviated to read, "Sigil. Thesaur Amer. Septent." When our present Department of the Treasury was officially organized by authority of an Act passed at the first session of the first federal Congress, the old outdated seal should have been corrected at that time to make it conform to the Constitution of the United States, but it wasn't. This "Act to Establish the Treasury Department" approved September 2, 1789, does not even mention the word "seal"! Evidently custom only decrees that the improperly worded, unadopted, hence, unofficial, seal of 1778, should be continued in use, because it has come down in the same form to the present day uncorrected.

What a strange anomaly it is that Congress has never seen fit, at even this late date, to adopt a seal which says in plain English that it is for the Treasury of the United States of America, and then use it properly to authenticate our great nation's astronomical paper wealth.

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# Monetary Reform and Economic Recovery of Postwar Germany - 1945-55

By Richard A. Banyai



## I. INTRODUCTION

The revival of West Germany has been one of the spectacular performances of the postwar scene.

In the span of 10 years, 1945-1955, a defeated and prostrate country has produced one of the strongest and soundest economies in Europe. This has been accomplished in part through German hard work and effective American aid, but other countries have also worked hard and received aid with far less spectacular results. What has made the difference? I believe that we have here a case of free-market economy operating successfully with a limited number of strategically set controls and greatly helped by political and economic events outside its borders, and a well-managed currency system which has held up quite well in the past 16 years. Germany has done the right things and has had good luck to do them at the right time.

In this paper, the monetary importance of the recovery will be stressed. I believe that it was the 1948 monetary reform that brought Germany (West) back to life. It must be remembered that the monetary system is the life blood of a modern industrialized nation. Germany's bloodstream was diseased and diluted after the war. This can be mainly attributed to the heavy deficit financing of the Third Reich (1933-45), which pumped billions of Reichsmarks into the economy, especially in the early 1940s due to the war effort. After the war economic activity in Germany came to a halt. Over large areas, production and distribution all but ceased. The only economic magnitude that did not drop below past norms was the inflated volume of money. The exact total for the three Western zones will probably never be known; it must, however, have been well above the 118.7 billion Reichsmark registered by private holders during the currency reform of 1948 (currency and all types of

deposits). An amazing "fact" was brought to my attention: After the reform one-tenth (approximately) of the earlier amount proved sufficient to conduct a larger volume of business at higher prices. On the other hand, when we consider the Soviet Zone of Germany, which is of no significance in this paper, the magnitude of the money supply was somewhere in the vicinity of 450 to 500 billion Reichsmarks. Assuming Germany after the war was not divided as it was at the time, we can indeed imagine the monetary reform of 1948 would have been more stringent in its application due to the enormous volume of money which had to be absorbed. However, the main concern of this paper is with Western Germany.

Though the German experience is historically unique, it nevertheless carries some broader lessons. If the stock of conservative monetary and fiscal policies has risen in the world, it is in part due to the German example. Countries seeking rapid development of their economies are likely to be interested in the German policies. Whoever believes that a free economy can produce such development will find the German experience heartening. Insofar as the past can supply clues to the future, Germany's postwar history may throw light upon questions such as those posed by the country's rearming, by pressure for reunification, and by the struggle over Germany between East and West.

Tourist-eye observers of Germany's performance sometimes stress some one factor as *the* cause of revival. Hard work, the tax system, labor discipline, and the Marshall aid are among the things most frequently singled out for this distinction. Each such observation points to an important element, but all "single-cause" explanations are doomed to inadequacy by the obvious multiplicity of causal factors. Of course there is bound to be disagreement as to the relative importance of these

factors. The fact is that many things had to come together to make Germany's spectacular revival possible. This brings to mind the many different theories of the trade cycle (business cycle). There have been many theorists in the past who have formulated theories on what specific thing causes the trade cycle but most of these conjectures prove inadequate because there are many causal factors acting together, some more strongly than others, which cause trade cycles.

Below is a quotation by Dr. Ludwig Erhard, former German Economics Minister and now head of the West German nation:

"All my economic policy measures are based on the criterion of how human beings will react to them, and what the consequences of any changes in economic circumstances would be for them.

"Since all the successes which have been achieved as a result of my economic policy can be traced back to the activities of those actively taking part, I do not believe that the idea of a "German miracle" should be allowed to establish itself. What has taken place in Germany during the post-war years is anything but a miracle. It is the result of the honest efforts of a whole people who, in keeping with the principles of liberty, were given the opportunity of using personal initiative and human energy. If this German example has any value beyond the frontiers of the country it can only be that of proving to the world at large the blessings of both personal and economic freedom."<sup>1</sup>

Therefore, I believe it is important to stress the monetary phase of the recovery as the main panacea of West Germany's economic recovery. It is realized that there were other factors of importance, but it is strongly believed that the monetary and fiscal policies of the West German government had the strongest bearing on the recovery.

## II. THE "GERMAN MIRACLE"

Nineteen years ago Germany was a defeated and broken country ruined beyond resurrection in our time. Today the West German economy is among the healthiest in Europe. Though the scars of wartime bombing are still visible in some cities, the standard of living is well above pre-war. A rapid expansion of production and exports continues unabated since 1948. Unemployment, which was for some years the darkest spot in the picture, had been reduced to a tolerable level in 1955. In fact today (1964) Germany is enjoying full employment and must even import laborers from Italy and France to work in her factories. One good example is the Volkswagen Auto plant at Wolfsburg. Here the labor force is composed not only of Germans but also Italians. Germany's currency reserves are quite large with approximately \$6 billion in gold. Her public finances, with their succession of surpluses in the face of tax reductions, are the envy of Europe.

Germany has confounded not only the prophets but to some extent also the economists. Had a poll been taken shortly after the war it is fair to bet that a considerable majority of economists would have regarded

the maintenance of fairly tight controls as advisable. But as soon as the Germans regained some measure of influence over their affairs they threw off a large part of the existing controls. They chose instead to rely upon tight money and balanced budgets as the means to keep the currency sound, prices stable, and the economy in order. They reduced the role of government and gave private business the scope and incentives to do most of the work of reconstruction. These "orthodox" policies did not go all the way to a laissez-faire paradise—far from it. A substantial amount of government intervention remained. But measured against the contemporary climate of opinion, and compared with what most other European countries were doing, they were orthodox enough to be strikingly novel.

The term "German miracle" is regarded with disfavor in Germany, and rightly so, as it seems to imply that the revival was a phenomenon surpassing all understanding. But it would be equally wrong to see in the revival nothing more than the inevitable result of the famous German "*tüchtigkeit*," their ability to get things done. A great many circumstances and events beyond German control helped, and the respective roles played by good management and good luck are not easy to unravel. Besides *tüchtigkeit* there was foreign aid, the Korea boom, and a host of other factors. That all these things came together at the right time and place in conjunction with the currency reform is the real German miracle.

## III. MONETARY AND FISCAL POLICY

With the end of the war organized economic activity in Germany came to a halt. Over large areas production and distribution all but ceased. There was no railway transportation. In many localities there was no electric power, no gas, no water. There was no telephone and no mail.

The only economic magnitude that did not drop below past norms was the volume of money. The inflationary war finance of the Nazis had pushed the money supply to dizzy heights, and at these it remained up to the currency reform. To be approximate, there were 118.7 billion Reichsmarks registered by private individuals during the currency reform.

The disproportion between the supply of money and amount of goods available was so immense that one should have expected large-scale black markets to develop immediately. It was a source of surprise to the allies that such did not happen. The fact that black markets were held in check for a while may be attributed to the extraordinary rigid pattern of prices and wages with which Germany had lived for a decade and the most effective control system of the Nazis that the allies had to take over as they found it. For a while most goods continued to move through legal channels, although in very inadequate volume.

Gradually, however, nature began to take its course. A growing volume of goods found its way into the gray and black markets. It became increasingly difficult to do business and even merely to exist strictly within the



limits of the law. Firms which had been selling all their output through legal channels could not replace their stocks of raw materials nor hold their labor.

Businessmen engaged in uneconomic pursuits. Firms which dealt in less convenient lines would try to shift part of their output so as to have something with which to barter. If that was not possible they would trade part of their output against consumer goods or give their workers coal as a modicum of wage. An even more extensive and complicated system of barter had to be carried on to secure raw materials, spare parts, and fuel. Only a part, eventually perhaps no more than half of total output, continued to be sold subject to official controls at legal prices.

These conditions finally led to an almost complete repudiation of the currency. In legal transactions money was of secondary importance compared to the ration coupons that went with it. In gray or black dealings, where fears of currency reform and of the tax collector made large money hoards especially unwanted, barter was the prime form of operation. The general goal of business was to buy as much and sell as little as possible, to build up physical assets in plant, equipment and inventory, and to preserve substance by not selling against the paper money. As a matter of fact the cigarette became standard money over large sectors of the economy, both as a means of payment and as a measure of value.<sup>2</sup>

In the monetary and fiscal fields the outstanding measure was a very stiff income-tax law passed by the Control Council early in 1946. The law's aim was to prevent inflationary deficits in state budgets and to reduce substantially the monetary overhang. In outward appearance this was probably the fiercest piece of income taxation ever inflicted on a Western country. It reached incredible levels, such as 50% at the 2,400 Mark level and 70% at the 13,200 Mark level. In reality the burden was not as extreme as it had seemed at the time; compared to black market prices the income tax was still cheap. The tax, nevertheless, achieved the minor task of balancing budgets in a ruined economy.

Monetary policy in the ordinary sense was out of the question as long as the economy remained in its inflated state. A complete currency reform was clearly required, both as a first step toward *revival* of monetary policy and, more importantly, as an essential condition of more rapid economic recovery. Plans for a reform had been worked out by a group of American economists as early as the spring of 1946 (referred to in the press as the Dodge-Calm-Goldsmith plan). Under the Potsdam Agreement the reform would have had to be carried through equally in all four occupied zones. Prolonged negotiations with the Russians, however, led nowhere. That the Western Allies preferred to let two years slowly drag by rather than to proceed unilaterally attests to their realization that the splitting of the currency also meant the final splitting of Germany. When the currency reform was put through in June 1948, these unhappy expectations were fully realized, and the introduction of the new currency in West Berlin touched off the blockade of the city. The Soviet-sponsored reform about the

same time in East Germany was quite similar to the program conducted in the Western zones. One difference, however, was that savings deposits were converted at different rates: one-to-one for the first 100 Marks, five-to-one for the next 900, and ten-to-one for all in excess of 1,000 Marks.

#### THE CURRENCY REFORM—JUNE 20, 1948

The main features of the currency reform proper were: (1) the contraction of the money supply and (2) the reorganization of the public and private debt structure. The currency reform was accompanied by a tax reform and by a progressive removal of price and rationing controls. An equalization scheme for war damages was to have been a sequel to the reform but did not materialize until four years later in 1952.

The contraction of the money supply was the most conspicuous element of the reform. All currency and bank deposits owned by individuals and firms had to be registered. They were to be converted into the new Deutsche Mark at a rate of 10:1, in other words scaled down to 10% of the original amount. Of this 10% one-half was placed at the owner's immediate disposal; i.e., as quickly as the necessary computations could be ground out and checked by the income-tax office. The other half was again split, one-fifth (equal to 1% of the original amount) being made freely available later, while one-tenth was set aside for investment purposes in a blocked account. The other seven-tenths were canceled when it became clear that release would endanger the success of the reform. The net effect of all these percentages was a conversion rate of 100:6.5 (with some qualifications for smaller amounts). This severe scaling down applied to savings deposits as well as demand deposits and time deposits, a fact that became a source of much bitterness and social distress.

At this point it would be proper to insert an excerpt from a speech given over the German radio on June 21, 1948, by Ludwig Erhard:

"After several days of mental and spiritual anxiety we have relapsed into the routine of everyday life. Today the German people went to work calmly and quietly, and I believe that most of them must have felt a sense of relief when it dawned on them that the dreadful threat of mass hysteria had gone and with it the shocking financial swindle of a price-frozen inflation. Only now that this fever has passed do we fully realize how close we came to the edge of the abyss and how urgent it had become to introduce our new currency and so return to the path of honesty and sincerity."

This statement is most significant when one realizes that the German nation less than three decades earlier experienced one of the worst hyper-inflations of the early twentieth century.

Simultaneously with the currency reform new personal and business tax rates were introduced. They reduced sharply the rates imposed by the allies in 1946, but not as sharply as the German administration had wished. As a compromise the occupation authorities agreed to a

series of concessions that exempted from taxation income saved and invested. These concessions, which in effect eased mainly the burden on the upper brackets and favored independent businessmen, later played an unexpectedly important part in financing the recovery. The initial deficit produced by these tax cuts proved to be temporary, owing to the rapid rise of national income.

This very thing can be seen now in this country if one studies the United States Treasury revenue reports. Since the tax cut in the first quarter of this year (1964), it is reported that the revenue to a degree is at a surplus. The tax cut acts as an incentive for one to invest or spend more of his idle funds, thus helping to stimulate the economic situation to some extent.

Finally, later on a series of decontrol measures was introduced following the currency reform. They centered on the prices of the manufactured consumer goods. Some foodstuffs were likewise freed, but most basic foods, rents, and materials remained under control for some time.

In regard to the German currency reform, whether the impression was favorable or unfavorable, it was a tremendous success. No other financial operation in German history has had such an *immediate* and profound impact. The various observers, both left and right wing, had agreed that it transformed the German scene from one day to the next. On June 21, 1948, commodities once again reappeared in the stores, money resumed its normal function once again as the modicum of exchange, the variety of gray and black markets took a minor role in the economy, foraging trips to the country ceased, the productivity of the labour supply increased, and output once again took off on its great upward climb.

The spirit of the country changed overnight. The gray, hungry, dead-looking figures wandering about the streets and countryside in their everlasting search for food came to life as, pocketing their allotted 40 DM, they went on a first spending spree. The overriding fact was the great success of the currency reform in getting the German economy back into operation.

The counterpart of the toughness of the reform was the aid it gave to the active forces of the economy. It raised production incentives by keeping down the burden of carrying the unproductive part of the population—pensioners, owners of savings, old people, people unable to fend for themselves. By wiping slates clean it favored entrepreneurs, businessmen and debtors at the expense of fixed-income receivers and creditors.<sup>3</sup> It was necessary that, in putting the monetary system in the best possible shape for recovery, it made few concessions to social equity.

After the reform was put into effect it did experience a renewed threat of inflation due to the demand for credit by business and the conversion of old balances, not to mention the second allotment of 60 DM per capita as specified by the currency reform. This all led to renewed inflationary pressures. However, it still stands that the reform was a success and that the post-reform inflation expended itself to a degree by December of

1948. Of course there were four main factors which contributed to the tapering off of the post-reform inflation. These were: (1) the expanding gap between prices and the consumer's purchasing power created by relative wage stability; (2) the diminishing supply of converted balances; (3) budget surpluses resulting from increased revenues due to the increased national income; and (4) the decrease in demand for German export goods.

If one were to analyse the German business cycle trend they would discover the ups and downs of the economy after the 1948 currency reform and would note that the fluctuations very much took care of themselves in the atmosphere of relatively conservative monetary and fiscal policy. By that I mean that the German economy took care of itself without extreme plans of deficit financing or public works projects. This once again can be attributed to the careful way in which the currency was managed and the internal and external factors which smoothed out the fluctuations; i.e., the four above listed factors which contained the inflation (post-reform), the influx of refugee labor, the Korean war boom and its impact upon exports from Germany.

#### IV. THE ROLE OF THE CENTRAL BANK

Germany's recovery from the ruins of World War II to its present position as the most prosperous country in Europe has been the subject of a great deal of study and discussion. Evidence shows, however, that it was the establishment of the Bank Deutscher Laender (1948), the West German central bank, which was most influential in Germany's take-off into prosperity.

An authority on the question, Professor Henry C. Wallich of Yale University, made a new contribution with a study that credits the Bank Deutscher Laender with a crucial role in the revival of the German economy. In coming to this conclusion, Wallich implies that Germany's orthodox monetary policy, carried out by a central bank independent of government, should serve as an example to other nations. In stating this he is bolstering the position of the United States Federal Reserve System (U. S. Central Bank), which has also favored independence and orthodoxy. This is most significant. In many nations today, especially the Latin American nations, the central bank and the government are integrated. This has led to intense inflationary policies by these governments. Where there is separation of the two, central bank and government, intense inflationary policy is not noted. By intense it will suffice to define it as a galloping type of inflation. That is, an inflationary policy whereby the price level rises approximately 50% per year, more or less.

In the summer of 1957, the Bank Deutscher Laender became the Deutsche Bundesbank under a new law that aimed at clarifying the relationship between the government and the bank. Under the law the bank remains independent in carrying out its functions, but the government cannot take part in discussions of the bank's policies. The bank is supposed to "support the general economic policy" of the government as long as it is com-



patible with its own policy. Just what happens if there is a conflict is not spelled out. However, it can be assumed that the bank and government officials would discuss the situation and perhaps arrive at a compromise.

Wallich makes clear that Germany possessed a number of other advantages that aided recovery—the influx of cheap refugee labor from Eastern Germany, the lack of a heavy rearmament burden, the cooperative attitude of labor which was most beneficial especially when as a whole labor controlled wage demands during the early years of the revival. In addition, Germany received big doses of foreign aid, and her people showed a “willingness” to “work hard in order to make good war losses.”

Wallich states that these advantages would have been dissipated if the government and the central bank had not followed “deliberate policies” aimed at assuring both recovery and *monetary* stability. The government managed to achieve budgetary surpluses that helped to spur investment.

Wallich reports that 42.2% of total investment came from business itself, 21.8% from consumer savings and 35.9% from government. Only 29.2% of surplus government funds went into government investment; the remaining 70.8% was diverted into business investment and housing.

But it was the central bank's policies that created the environment for expansion. Although it was independent of the government, it shared the same aims: to raise output of the domestic economy and to stimulate international trade. From the beginning the bank took an orthodox view. It *did not* follow the easy money policies of other European countries, which pumped credit into the economy to spur investment and production and used import controls and export subsidies to keep international payments in balance. Instead the German bank deliberately aimed at maintaining a *stable currency* and freeing trade from controls.

The bank's decision was motivated, in part, by Germany's earlier ruinous inflations. It felt that stable currency would be the key to reviving exports.<sup>4</sup>

The following are quotations by Dr. Herman Abs, Managing director of the Deutsche Bank. The excerpts were taken from the report, *Economic Growth—Balance of Payments*, a publication issued in the Fall of 1962 by the American Bankers Association at their 88th annual convention:

“In my humble opinion there is no economic growth without securing stability at the same time, by which I mean *monetary stability*.

“The fresh upsurge in growth rates can only be expected when the German cost and price levels are stabilized and again come in line with productivity, and our competitive power regains strength. At the same, industrial capacities will have to be increased. At what time and to what extent the Common Market will play a more decisive role in boosting economic growth remains to be seen.

“In any event, if measures to maintain monetary, price, and budgetary stability fail and savings are not kept in

line with investment requirements, the equilibrium of the economy as a whole under the present circumstances of over-employment (1962-63) will be jeopardized. The foregoing shows on the other hand that deficit spending, if applied during the period of 1950 to 1960, would have prevented the German economy to grow as it did grow.

“I therefore, as a concluding remark would like to add that monetary stability is one of the *pre-conditions* to prepare measures for economic growth to the best of the national and international economy.”<sup>5</sup>

The intensity of German monetary experience has produced not opinions but convictions. Principles rule and are easily dented by short-run expediency. There has been little inclination to sacrifice the long-run to the short, or to buy an increase in the production index with a rise in the price index. This, of course, is in reference to the financing techniques of central banks and governments whereby the supposed panacea for unemployment and an increase in economic activity is to pump money into the economy via deficits. In instances this is the same as printing paper money to pay for the goods and services of the economy, thus tending toward inflation, as the extra currency competes in the market against the already existing stocks of money. It would not be so bad if taxes were increased for such endeavors. This would somewhat alleviate the inflationary tendency due to consumer and business expectations about the economy and the added increase of the money supply. Nevertheless, in some cases it would probably be best for governments to abstain from interference with the market economy and let business take care of itself. This is the case of Germany. Anyway, the currency has not been treated as though it were capable of taking indefinite punishment; stable money, like democracy, has been accorded its price of eternal vigilance. Putting currency stability ahead of full employment has sometimes been regarded as a harsh policy. It is harsh in the sense that all German policy since the war has been harsh. Germany has experienced a great deal of suffering. The policy makers have been willing to accept hardships for the sake of *long-run progress*. The harshness has been softened, however, by the broad social security system and by the effort to inject an element of social consciousness into the market economy—the *Soziale Marktwirtschaft* to which we now turn.

## V. THE FREE MARKET POLICY

It is indeed not easy to classify the order that arose in West Germany. Neither a truly free nor a planned economy, officially and rather ambiguously termed a “social market economy,” it was more like the “welfare state” of American definition. It attempted to preserve the free market place for production and distribution of goods and services, while at the same time it controlled the distribution of income and wealth, chiefly by means of taxation. But in reality, West Germany was less of a welfare state than a relief state.

The free market was re-established in June, 1948, in a West Germany disorganized and disintegrated, resembling somewhat the economic ways prevalent under

Nazism. The chaos of the Nazi "planned economy," whose dictatorial controls, autocratic interferences, blueprints, red tape, and rationing had reached their heights during the war, had strangled all normal commerce. After Germany's surrender, with currency and production totally disrupted, many controls of the wartime economy were retained, which only made the chaos worse.<sup>6</sup>

The controls were only in part fashioned by the occupying powers. To a large extent it had been necessary to take over those previously existing in order to cope with the immensity of the job. Only at the beginning of 1948 was some order brought into the situation by means of a unifying ordinance which, however, left the old underlying legislation temporarily in force.

No major changes in the controls system were practicable prior to the currency reform. A removal of price ceilings would no doubt have brought the German economy back to life rapidly. Of course prices would have spiraled upward many times, the black markets and most illicit trade deals would have disappeared, and the economy would have begun to operate again. However, the drawback to this is that there would have been the danger of a continuing inflationary spiral which would have more than likely dragged the economy once again into sluggishness, as had been the case almost a quarter of a century earlier when the great German hyper-inflation of the early 1920's brought the German nation to its knees.

Nevertheless, with the currency reform the controls were lifted. The lifting of controls was a bold step but not a blind one. It was limited to sectors of the economy where incentives were likely to have greatest effect, where stability of prices could do relatively little damage, and where controls would have been hardest to administer. It centered, therefore, upon manufactured consumer goods. Clothing and shoes, though they remained rationed, were freed from price control, and the rationing was random. Most other manufactured goods of daily use were completely free. Wages were freed three months after the currency reform. Subject to continued control were most basic foodstuffs and agricultural products; basic materials like iron, steel, coal, and oil and some nonferrous metals; utilities and transportation, rents and many services.

For the businessman the free market policy has intensified both rewards and penalties. He has been up against fluctuating markets in which he could use his ingenuity to make large profits, but also stood to lose by wrong decisions. In a tightly controlled economy both opportunity and risk would have been smaller. The increase in competition, which has been the corollary of the free market policy, has put pressure upon the businessman to improve his performance.

For the consumer the free market policy has meant the ability to buy freely, without coupons or shortages. He has been rationed only by his purse, and this has been a strong incentive to bestir himself to earn more money. Opportunities have not been lacking, unemployment notwithstanding overtime, double jobs, and work by several members of the family. In this way, despite high prices

and low wages, the average German has been able to feed himself fairly well, restock his wardrobe, refurnish a home, and replace some of the other personal effects that he had bartered away during the bad years when a typewriter went for five or ten pounds of butter.

#### EFFECTS OF TIGHT MONETARY AND FISCAL POLICIES

The tight monetary and fiscal policies served to maintain the incentives created by the free market policy and added some new ones. Had money been made easy, the ensuing inflationary climate would probably have spelled the end of free markets. The tight money policies made possible ever-widening decontrol.

They intensified competition and pushed the economy increasingly towards a buyer's market. That is a market in which prices are relatively low and the consumer is at an advantage. They created penalties for insufficient effort: failure for the businessman and unemployment for the worker. Neither threat was very imminent—as witness the relative scarcity of bankruptcies—but a mild sort of pressure undoubtedly existed that would not have been felt in an economy with excess liquidity.

The prevailing monetary and fiscal climate also provided strong incentives to seek export business. It was not easy for German firms to get back into world markets. Many of them would have much preferred to do their business at home had they encountered sufficiently receptive conditions there. The trend towards buyers' markets forced them outside. That is, they sought foreign markets for their products. Other markets which demanded their products and paid higher prices for them were needed and found. The Korean war boom provided a foreign market for German export goods, and Germany's export trade zoomed upward. Disregarding the fluctuations, Germany's foreign trade has been on the uptrend since 1948.

Finally, tight money provided the essential incentive for a revival of consumer saving: confidence in the currency. Without this the numerous tax concessions offered to savers would not have been nearly so effective.

The stimulation of effort through tax incentives has been accomplished in two ways. First, it has resulted from the basic structure of taxation, in which turnover and sales taxes play an important role (in 1950-51 they accounted for 47% of total revenue, as against 25% in the U. S. A.). As a result income-tax progression, although it has been sharp, has not had to be quite so pronounced as would have been necessary if an effort had been made to relieve the lower-income groups of a larger part of the burden. The presence of a strong non-progressive, even regressive, component in the tax structure thus has served to reduce a disincentive.

Second, there have been tax concessions which have the effect of reducing marginal taxation and, usually, of stimulating saving and investment. Many of them originated in a difference of opinion between the Germans and the Allies as to the appropriate level of income taxation. The German side maintained, when the 1948 tax law was being discussed, that the rate cuts proposed by the Allies were not sufficient to provide adequate



incentives. The Allies refused to accept lower rates but agreed to a series of provisions, some already included in earlier legislation, giving relief in the form of special concessions for income saved and invested.<sup>7</sup>

The tax obstacles to longer hours on the part of labor, so familiar in postwar experience elsewhere, were largely removed through virtual exemption from income tax of overtime earnings.

The socially-conscious free market economy has perhaps not been altogether free nor especially outstanding for its social consciousness. Its chief characteristic, one might say, is the scope and incentive it has given to individual initiative. But, such as it is, it has done a great job.

The free market economy proved to a world in which only a minority of disinterested observers had any real faith in a system based on individual initiative that the system still works. And certainly this is the more impressive because it was supplied by a country that has had a rich experience of the opposite type of economy.

But in a broader sense the *Soziale Marktwirtschaft* produced great social results. By rapidly lifting total income, however ill-distributed, it eventually raised everybody's income. This was what had been intended when private enterprise was given a free hand. It worked, even though under the protests of those who looked more at the distribution than at the rapidly rising total. A few years' per capita gain at an annual rate of 3% to 5% are worth more to lower income groups than the redistribution of a stagnant total within the narrow range that is open to such maneuvers. Through the rapidity of its advance the *Soziale Marktwirtschaft* has largely fulfilled its promise.

## VI. LABOR'S PERFORMANCE

Almost immediately after the currency reform, the recovery that some, notably foreign, observers chose to call a "miracle" developed. This miracle consisted primarily in the fact that a very hard-working people, given a sound currency, the tools to produce, and help from abroad, could in free competition overcome chaos.

In the first years of West Germany's economic recovery, organized labor abstained—with minor local and regional exceptions—from strikes for higher wages and better hours by which they might temporarily have succeeded in getting a bigger slice from the small cake. To some degree this was because poverty extended to the union treasuries, where the accumulated reserves were still too low because of the war to sustain strike struggles. But in the main, the unions preferred not in any way to hinder the first stages of economic recovery with its upward trend, from which in the long run they would profit. Rather they pressed their claims to more permanent power for themselves in the councils of economic leadership, which would later enable them permanently and peacefully to have a larger share of the social product and a higher status in society.<sup>9</sup>

Perhaps the most frequently heard explanation of the German miracle is the German capacity for hard work.

No one who has observed German workers going about their jobs can deny that they work hard and long, if perhaps not very fast or imaginatively. It is somewhat surprising, therefore, to find that by their own high standards they seem to have worked less hard during the postwar period than before the war. The 1938 figure of 49.7 hours per week was not reached again until November of 1953. Compared with the rest of Europe, German hours are long but not exceptionally so. In 1952 they averaged 3.3 hours above France and 1.8 hours above Great Britain, were almost even with Switzerland, and 1 hour below the Netherlands. It must be noted, however, that the high proportion of women at work has pulled the average down somewhat for Germany.

Neither can substantial evidence be found to show that the intensity of work has increased. While there is no accurate way of measuring this, productivity can be used as a rough indicator so long as the chief determinant of productivity, the volume and quality of equipment, does not change. Owing to war damage, productivity after the war was low. By 1950-51, however, this damage had very largely been repaired, and in many instances improved equipment had been installed. An increase in work intensity over prewar should therefore have shown up in a higher productivity index. In fact, the 1936 level of productivity was not significantly bettered until after 1951. To illustrate, taking 1936 as our base year:

1936=100

All industries: Output per man hour worked

1949= 82.3

1950= 92.8

1951=102.6

1952=107.5

Quite possibly part of the failure to make a better showing must be charged to the greater proportion of old workers and women in the labor force as well as to the neglect of adequate training, but this can hardly alter the general conclusion.

Germany's high ratio of economically active women provides at best a presumption of an exceptionally strong willingness to work. As a matter of fact the upsurge in the past 15 years in the number of working women in Germany has added to the prosperity. In this way a family has two incomes and can afford the added amenities of life, etc.

Looking back upon the years since the currency reform, German labor can point with a good deal of satisfaction to a rapid and substantial increase in nominal and real wages. Between June 1948 and June 1954, real weekly earnings advanced approximately 90%. Compared with prewar (1938), labor earnings had improved by over 27%. Nevertheless, in contemplating its position at any one moment during that period, labor had an uneasy feeling that it was getting a rather small share of the expanding pie. Business was making large profits, and from time to time labor made moderately successful efforts to cut in on these. But for a variety

of reasons these forays remained within rather narrow limits of restraint and caution.

For the economy as a whole, labor's muted and un-aggressive policy has been an inestimable advantage. It has, in the first place, made a major contribution to the new stability of the new currency. That is, they held off major strikes for sizeable increases in wages which would have in all probability prompted the businessman to raise the prices of his various goods and services, thus tending toward inflation. One may even say that at one critical juncture when the success of the currency reform and of the free market policy hung in the balance, the day was won largely due to labor's restraint. If in the late fall of 1948 labor had made a determined effort to keep wages abreast of rising prices, both probably would have spiraled upward. The Erhard policy might have had to be abandoned, and the currency reform would have been a dubious success at best. But though labor protested bitterly and staged a one-day token strike, it allowed itself to be satisfied with a (not unsubstantial) raise of 15% in the face of a rise of about 25% in the cost of living index. This forbearance was admittedly made easier by the fact that despite the price movement the post-currency-reform economy was an enormous improvement over what had gone before. It was further facilitated by the fact that the price rise centered on a limited range of goods, mainly clothing, shoes, and some foodstuffs, while many other items in the consumer's market basket were kept down by some form of control.

Labor's restraint has helped to make and keep exports competitive. It is true that German wages have risen much more since 1948 than those of comparable European countries. But they started at a low level, and productivity has increased considerably.

The final and probably most decisive contribution, however, has been the financing of the investment boom. By allowing wages to lag behind profits, labor made it possible for business to engage in large-scale self-financing. The inequality of the income distribution, favoring the higher incomes where proportionately more savings accrue, was the essential condition of the high rate of investment.<sup>10</sup>

## VII. CONCLUSION

In retrospect it is noted that the currency reform of June 1948 was the pivot around which Germany's economic revival and present prosperity has revolved. It is indeed important for a nation to have a healthy monetary system so that trade and progress can proceed smoothly with minor fluctuations. In this respect there is evidence available to show that the supply of money and the utilization of credit expansion and contraction are fundamental factors in business fluctuations.

Germany has demonstrated clearly since 1948 that a nation which controls its money supply and/or adjusts productivity to the level of liquidity in the economy should have little fear of violent fluctuations in the business cycle, generally speaking.

For added relevant interest I have included sources in the bibliography which deal with monetary influences

on the business cycle. There has been a wealth of information written on Germany since World War II and all the sources are excellent. For further study by interested individuals I have included in the bibliography several sources other than the ones used in assembling this paper.

It is hoped, therefore, that the reader of this paper will have a better understanding of the important factors that combined to produce the so-called "German Miracle." As can be noted I have emphasized four major factors I believe to be important above all. Even though there were other elements of importance I have emphasized what I believe to be the most important, these are: The Monetary and Fiscal Policy, The Role of the Central Bank, The Free Market Policy, and Labor's Performance.

To ask ourselves how the world would look today if the East-West split had not occurred is almost like wondering what would have happened if Eve had never eaten the apple. As for Germany the guess is relatively easy: The Allies would still be sitting on top of a united Germany, holding her down politically and economically.

Aside from the East-West split, two gifts of history to the German revival deserve to be recorded: Germany's remarkable political stability since the war, and the fact that this stability meant government by the conservatives instead of by the socialists. Stability of government, in the hands of the conservative coalition led by Dr. Adenauer's Christian Democrats, is traceable mainly to popular satisfaction with the past Adenauer-Erhard policies. However, in the fall of 1963, Dr. Adenauer stepped down from his position as the head of a prospering West Germany and his colleague Dr. Ludwig Erhard has taken over as the head of Western Germany. It can be safely assumed that the Bonn government headed by Dr. Erhard will keep up its economic policies, and that as long as Germany is in the experienced hands of the Erhard regime she will continue her travels on the road of economic well being.

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Article by Herman Abs (Managing director-Deutsche Bank)

*The Washington World*

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original work is a great reference and a deep study of the mainsprings of the German economic recovery. Lucidly written and scholarly, this work is recommended to anyone who wishes to further delve into post-war Germany's economic situation up to 1955.

Footnotes 2, 3, 7, 8, and 10 were paragraphs based upon the analyses on pages 63-65, 66-69, 71-72, 120-122, 126-129, 147-152, and 288-290, and 297-300 respectively from Wallich's work.

Footnotes 6 and 9 were paragraphs based upon the information on pages 250-251, 251 and 257 respectively from Muhlen's work.

Footnote 1 denotes the segment of the article extracted from the *Washington World* publication of July 10, 1962. (pp. 22)

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Footnote 5 denotes the section of the article by Herman Abs on pages 16-20 of the A. B. A.'s publication *Economic Growth-Balance of Payments*

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# The 1957 Series \$1 Without the Motto

By George W. Killian

Each new coin or piece of currency generates rumors of errors. As a boy I remember the rumor that the Jefferson nickel without a flag was an error. And remember the story about Joe Stalin's initials on the Roosevelt dime? There is a current rumor about the Kennedy half-dollar and a hammer and sickle.

Within our currency hobby the production of the new \$1 Federal Reserve Note even started the rumor that it was illegal! Prior to that the \$1 Silver Certificates of 1957, which were the first dollar bills to carry the motto "IN GOD WE TRUST," created other rumors. The most prevalent was that either an atheist or Communist (some even suggested a Supreme Court Justice) got into the Bureau of Engraving and Printing and removed the motto from some of the engraving plates. To collectors the truth was quite obvious; the Bureau was producing both the 1935 F and/or 1935 G concurrently with the 1957 and/or 1957 A series which did not and did, respectively, have the motto.

However, in spite of this simple explanation a rumor persisted that 1957 dollars did exist without the motto. I recall the ad of a reputable dealer advertising various currency items including the 1957 NO MOTTO. Under price was listed "Wtd." I have always wondered about this item. (See the author's mention of it in "Current Currency" in the Spring 1963 issue of PAPER MONEY.) Now I believe I can offer the full solution.

Fellow society member Harold B. Smith gave the final clue. Harold obtained a \$1 of 1957 B which did NOT have the motto and of course was quite intrigued. He knew something was peculiar, as the variety was not listed in either Friedberg or Donlon's list and he had seen no other mention of it. Because of my interest in the subject he sent it to me for examination. The bill may be identified completely as follows: 1 S 1957 B - U65170935A 759 C4: 434 where:

- I means a \$1 denomination
- S means a Silver Certificate
- 1957 B represents the series
- means only one major variety known (or the major variety if more than one)
- U65170935A is the serial number of the bill.
- 759 is the face plate number, and
- 434 is the back plate number.

The bill is absolutely genuine. Its condition is excellent, crisp with a very few slight wrinkles or folds. There is NO MOTTO on the back. The first impression would have to be that this is a new major error ranking at least with the mismatched serial number. And, incidentally, it is especially interesting to note that the serial number is in the same U...A series in which the mismatched serial numbers occurred.

How could such a bill be produced? Possibly the motto portion of one part of a rear plate was damaged

and it was decided to remove that portion of the plate but otherwise continue use of the plate. This theory just is not in keeping with Bureau practice and was not seriously considered.

One theory considered was that during the production of the note a scrap of paper covered the motto area so that the motto was printed on the scrap and later the scrap fell away to leave the NO MOTTO bill. But this too seemed very unlikely. More specifically, it is just too much coincidence to think the scrap would be of exactly the right size and position to cover the motto with no more and no less. Could an employee have deliberately manufactured this error? In an ordinary print shop there is no question that it could be done. However, in the Bureau of Engraving and Printing I suspect there are so many safeguards that it would be impossible. Also what could be the motive? No employee could remove a bill nor could he control the destination for later recovery.

These ideas are presented to illustrate my thinking and in support of my final conclusion which quite simply stated is that the NO MOTTO bill was printed normally WITH MOTTO and later altered. But how can the motto be removed without a trace? I don't think it can!

I have seen U. S. Notes which should have red seals and numbers but which have orange seals. This results from a bleaching action and is not an error. But household bleach, or even bleaches three times as strong, does not remove the green ink. I do not believe a bleach, or any other chemical was used, as it would be very hard to apply a chemical so selectively.

How else? I experimented with a sharp knife and worked on the bill as one might with a paint remover blade. It was surprising how well the ink came off. But the paper was left ruptured and rough. I was able to smooth it some with a soft eraser. But clearly this is not how the motto was removed from Harold's bill.

How else? I experimented with an ordinary type-writer eraser and was again surprised at how well and completely the ink was removed. But again the paper was a little rough and perhaps thinner. I did not believe this crude technique had been used.

How else? I experimented with a good quality pencil eraser. Lo and behold, it too removed the ink although it took longer. But the paper was not left rough or obviously thinner. I am convinced that this is the technique that was used on Harold's bill.

What evidence is there of alteration? First the job was not absolutely perfect. A few very tiny green dots remain. But there are three other and considerably more damning bits of evidence. First examine and feel the unprinted area of any piece of new currency. (Since the note in question is from the new rotary presses, it is suggested you should use a dollar from any of the

1957 series, or any of the 1963s, for comparison). You will note that the unprinted portion of the paper has a pronounced texture. That is, the paper is not glass smooth. This is not true on the motto area of the NO MOTTO bill. In that area the paper is quite smooth, as from long rubbing with an eraser. Incidentally, I suspect that some technique perhaps an application of steam, might be employed to restore most of the original texture.

If all the erasing is done with the aid of an erasing shield, the boundary between the worked and unworked area might be quite evident. To hide or eliminate the boundary the entire area might be worked over with an eraser. I believe this was done on the bill in question. The evidence resides in the fact that at a few points in the general area of the motto the green printing is not quite as clear and sharp as it should be on a new bill. That is, the areas were affected by the eraser work. I suspect that greater care could prevent this telltale sign.

The final bit of evidence resides in the fact that the heavy erasing has thinned the paper a little, thereby making that portion of the bill slightly more transparent.

Accordingly, Washington's portrait shows through better in the area of the missing motto than it does in the area below the word "ONE." Again, a clever and determined manufacturer of "errors" could probably devise a means to mask this evidence.

There is absolutely no evidence to suggest that the specific NO MOTTO bill that generated this investigation was made with intent to defraud collectors; for although it passed through the hands of a dealer, it was "sold" only as a curiosity and only at face value.

It is my belief that there are no dollars of the series of 1957, 1957 A, 1957 B or 1963 that were produced without the motto. However, the 1935 G with serial numbers of D48 960 000J or lower were produced without the motto. All 1935 Hs should have the motto but they too could be altered.

**CONCLUSION:** It is possible to remove printing from a piece of United States currency. Accordingly, all collectors are warned to be extremely cautious about paying a premium price for any piece of currency which purports to be an error with any portion of the printing missing.

## ★ The Trading Post ★

The members listed below are interested in trading notes. Please contact them directly if you are interested in trading. The fee is \$1.00 per listing for two issues. Please note new categories. All future insertions should be sent directly to the Editor.

### 1. U. S. LARGE NOTES

Rev. Frank H. Hutchins  
924 West End Ave.  
New York 25, N. Y.

A. L. Morsch  
45 Cleveland Ave.  
Newark, N. J.

### 2. U. S. LARGE NATIONAL BANK NOTES

### 3. U. S. SMALL NOTES

Rev. Frank H. Hutchins  
924 West End Ave.  
New York 25, N. Y.

### 4. U. S. SMALL FEDERAL RESERVE NOTES

### 5. FOREIGN CURRENCY

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5743 Braesvalley Dr.  
Houston, Tex.

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(Colonials, Continental, Confederate, Broken Bank Notes, Scrip, etc.)

C. J. Affleck  
34 Peyton St.  
Winchester, Va.

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110 Anderson St.  
Fayetteville, N. C.

Leonard M. Rothstein, M.D.  
2409 Sylvale Rd.  
Baltimore, Md. 21209

George Wait  
P. O. Box 165  
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### 7. MILITARY CURRENCY

(War, Occupation, Concentration Camp and Emergency Issues)

### 8. FRACTIONAL CURRENCY

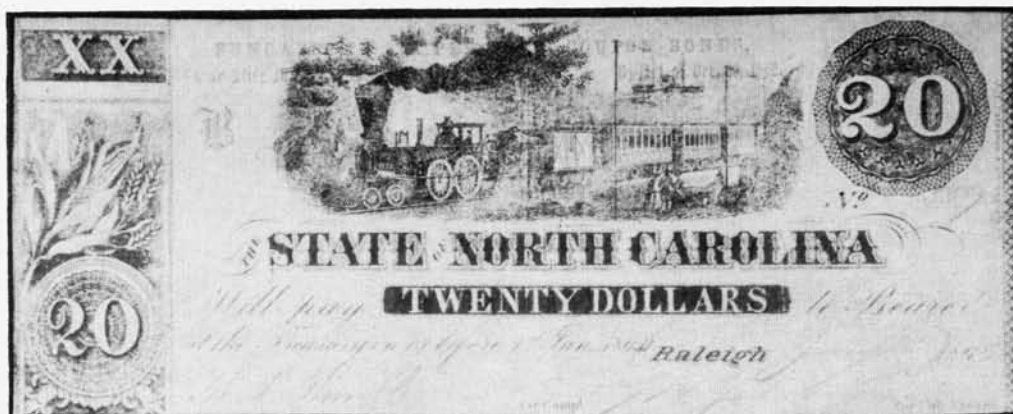
Jerry Holcombe  
Box 325  
Burnsville, N. C. 28714

### 9. MISMATCHED SERIAL NO. NOTES



# A Confederate Vignette - Origin and History

By Everett K. Cooper



The "Railway Train" vignette used on the \$100 1862 interest note, originally engraved and printed by Hoyer and Ludwig, had an interesting origin and wide usage. (Criswell T-39 and T-40).

The lithograph firm of N. Currier (predecessor of Currier and Ives) at 152 Nassau St., New York, published a small folio print sometime during the period of 1838-1850 called "The Express Train" and is the same scene as appears on this Confederate note. The delineator of this print was a J. Schutz. This print was selected by print collectors as one of the "Best Fifty—Small Folio." The principal variation of the currency from the Currier lithograph is the replacement of the background bridge in the print with a steamship in the \$100 note.

This particular vignette must have had great aesthetic appeal, for the following additional usage has been noted (and undoubtedly more will come to light):

## BANK OF PORT JERVIS (PORT JERVIS, NEW YORK)

A note of this bank, date unknown although it is believed to have been about the earliest to use this scene. Denomination also unknown. Bridge is shown in background and five telegraph poles show as compared to three on the Confederate. Train is supposed to have been an early model on the New York and Erie Railroad and is of an 1850 vintage.

## THE TIoga COUNTY BANK (TIoga, PENNSYLVANIA)

Appears on a \$100 note, and the engraving is dated by the words "Patented June 2nd 1857." The scene is not as complete as on the Currier and shows only the locomotive, tender and freight cars.

## VIRGINIA CENTRAL RAILROAD COMPANY (RICHMOND, VIRGINIA)

\$20 denomination, issued in 1861, and engraved and printed by the firm that did the Confederate note, Hoyer and Ludwig.

## STATE OF GEORGIA (MILLEDGEVILLE, GEORGIA)

\$1 Southern States note issued January 1, 1863, "engraved by Howell." (Criswell No. 12).

## STATE OF NORTH CAROLINA (RALEIGH, NORTH CAROLINA)

\$20 Southern States note issued May 1, 1862; engraved by J. T. Paterson and Co., the alternate printer of the Confederate note. (Criswell No. 80).

This same vignette also found its way onto at least two Southern bonds of the Civil War period. They are:

## CONFEDERATE STATES OF AMERICA

\$1000 bond of Act of August 19, 1861. The bond was lithographed by Hoyer and Ludwig. (Criswell Bond No. 83).

## STATE OF NORTH CAROLINA

The history of this bond is uncertain. It was engraved and printed to include this vignette, but it is not certain whether it was ever issued. However, the 50c North Carolina note of September 1, 1862, is found printed on the back of this bond. This provides a rather unorthodox use on currency of the famous vignette.

Currier and Ives produced other lithograph prints quite similar to the "Express Train," mostly during the post-Civil War period:

"American Express Train" published by N. Currier before Civil War;

"American Express Train" published by Currier & Ives about 1865; Title unknown, circa 1870, similar to the Confederate train.



## SECRETARY'S REPORT

### New Membership Roster

No.	Name and Address	Dealer or Collector	Specialty
944	William Vasko, 4442 Bryn Mawr, Tucson, Arizona 85711	C	US \$1 & \$5
945	William Hornbeck, 812 S. Burnside Ave., Los Angeles, Calif. 90036	C	
946	W. Terleski, 275 Highland Ave., Wallingford, Conn.	C	
947	John M. Wallock, Rt. 78, Winchester, New Hampshire	C	US paper money
948	M. Perlmutter, P. O. Box 48, Watertown, Mass. 02172	C	US large notes & coins
949	Donald Allen, 210 Wilmac, Dwight, Illinois 60420	C	Silver certificates
950	Carl F. Lundbom, 506 Melvin Dr., Greensburg, Pa. 15601	C	US coins & currency
951	Philip J. Medicus, 35 East Main St., Elmsford, N. Y.	C	US large notes
952	F. H. Laube, 407 Edgewood Dr., Freeport, Pa. 16055	C	
953	Arthur C. Tishacek, 2601 S. 28th St., Milwaukee, Wis. 53215	C	Paper, rolls, proofs, mint sets plus Confederate
954	Michael Maucieri, 1 Vincent Rd., Bronxville, N. Y.	C	
955	Harry M. Coleman, P. O. Box 3032, Tucson, Arizona	C, D	Small currency, Indian head, Lincoln cent
956	Roy E. Cox, P. O. Box 4, Oneida, Arkansas 72369	C	US past & current general
957	Joseph J. Pelton, Rt. #1, Auburn, Illinois 62615	C	General
958	Phillip Rochlin, 426 Ottawa St., Washington, D. C.	C	Stamp designs and currency
959	Joseph E. Halicki, 3100 S. Michigan Ave., Chicago Illinois 60616	C	US and foreign
960	Dwight P. Teed, P. O. Box 2070, Hobbs, New Mexico 88240	C	US currency
961	Stanley J. Solson, 10 St. Lukes Place, New York, N. Y. 10014	C	US currency
962	Maj. C. T. Gore, 11th Finance Section APO 403, New York, N. Y.	C	US small size currency
963	R. D. Rivera, P. O. Box 205, Oberlin, Ohio 44074	C	\$1 & \$5 silver certificates
964	Harry S. Naffin, 16 E. Main St., Schuylkill Haven, Pa. 17972	C	Large & small US currency
965	Mary Evelyn Rich, 3701 16th St., N. W. Apt. 302, Washington, D. C. 20010	C	US general
966	Joseph A. Persichetti, 2023 South 11th St. Philadelphia, Pa. 19148	C	US small size & fractional
967	Parker Kent James, Suite 1580 - 270 Park Ave., New York, N. Y. 10017	C	US currency including fractional
968	Arthur B. Dunning, 2333 26th St. West, Birmingham, Ala. 35208	C	Civil War period
969	O. H. Longuet, P. O. Box 2491, Victoria, Texas	C	
970	Michael Warmbier, Box 328, Rt. 2, Auburn, Michigan 48611	C	Small size silver certificates & US notes
971	Henry J. Willette, 438 Wood St., Burlington, N. J. 08016	C	US & foreign
972	Marion K. Bero, 17 Brighton St., Massena, N. Y. 13662	C	\$1 & \$2 American
973	Hillery L. Walker, 5131 Klump Ave., North Hollywood, Calif. 91601	C	US & Canada
974	W. H. Stricker, 812 McKinley Ave., Sand Springs, Okla.	C, D	Large
975	Thomas Fred Teuchler, 282 West 14th St., Deer Park, N. Y. 11729	C	US coins & currency 1900-64
976	E. B. Bloomquist, Box 234, Rhinelander, Wisconsin 54501	C	National bank notes of Wisconsin
977	Richard Davidian, 431 Panorama Drive, San Francisco, Calif.	C	Star notes
978	Alice J. Serra, RFD #2, Westfield, N. Y. 14787	C	Small currency
979	Albert J. Jarosz, 3618 14th St., N. E., Washington, D. C. 20017	C	US silver certificates
980	Dr. Stuart L. Danoff, MD, 144 Morgan St., Stamford, Conn. 06905	C	Colonial & Continental currency
981	James Van Harvey, 1118 Phila Ave., Barnesboro, Pa.	C	US large bills
982	Vincent J. DeCarolus, 75 Pamela Ave., Froton, Conn. 06340	C	General
983	George J. Abere, Jr., 97-11 121st St., Richmond Hill, N. Y. 11419	C	US small notes \$1 thru \$20 circulated & new

984	Victor R. Rollo, 1489 16th Ave., San Francisco, Calif. 94122	C	US large bills
985	Robert M. Edwards, 110 Mesa Grande Trailer Park, Vandenberg Air Force Base, Calif. 93437	C	Types—US
986	Everett K. Cooper, P. O. Box 93, Mechanicsburg, Penna. 17055	C	Confederate & Southern states
987	Erwin Breuer, 80-08 35th Ave., Jackson Heights 72, N. Y.	C	Paper money
988	Carr J. Phalen, 4639 East Lewis, Phoenix, Arizona 85008	C	Small US currency (types)
989	Richard F. Pollard, 101 East Mesa Dr., Hobbs, New Mexico 88240	C	General
990	George S. Nave, 15732 Harper Ave., Detroit, Michigan 48224	C	US paper money
991	Olga Hytha, 2011 Lakewood Drive, Wilmington, Illinois 60481	C, D	All coins
992	Samuel Simon, 2615 Avenue N., Brooklyn, New York 11210	C	US coin & currency
993	Herschel Hubbard, 609 East Flagg St., Aurora, Illinois 60505	C, D	National bank notes
994	Harry H. Schultz, Kremlin, Okla. 73753	C, D	Oklahoma bank notes & small series
995	John M. Doyle, 1361 Manor Park, Lakewood, Ohio 44107	C	1935 series \$1 silver certificates & fractional currency
996	Mrs. Adam Wohlfart, 20 Dale Drive, Oakdale, New York 11769	C	
997	F. W. Shuart, 5036 Alabama Avenue, Camp LeJune, N. C.	C	General foreign bank notes
998	John J. Harrington, Jr., 36 Oakview Ave., Maplewood, N. J.	C	
999	Julius A. Paskan, M. D., 9814 Washington Blvd., Culver City, Calif.	C, D	Gold certificates
1000	Dr. Conway A. Bolt, P. O. Box 368, Marshville, N. C. 28103	C	General
1001	Raymond F. Clarke, 4066 Ellendale Rd., Drexel Hill, Penna. 19026	C	US obsolete paper money
1002	George F. Hensel, 749 South 4th Ave., Beech Grove, Indiana 46107	C	Small size bills
1003	Joe Shulman, 18847 Ballinger St., Northridge, Calif. 91325	C	US paper money & coins
1004	Maj. H. A. Lamberton, 4181 Lybyer Ave., Miami, Fla. 33133	C	Broken bank (Southern)
1005	J. A. Tournoux, 4003 Harbrook, S. W. Navaree, Ohio 44662	C	\$1 notes 1920 to date
1006	Louis J. Sakal, 514 Grant Ave., Joliet, Illinois 60433	C	US, Hungarian currency
1007	James J. Harley, Rockwell, Iowa 50469	C	US coins & proofs
1008	Robert R. Riddle, 933 Delaware Ave., Lexington, Ky. 40505	C	
1009	A. Wilson Embrey, III, 816 William St., Fredericksburg, Va. 22401	C	Advertizing notes related to photography and cameras
1010	Joseph T. Kivlin, 75 Prospect St., Gardner, Mass. 01442	C	Small size notes
1011	Paul Oricks, 448 Neptune Ave., Brooklyn, N. Y. 11224	C	
1012	Eddie H. Graves, 104 Onstott, Duquoin, Illinois 62832	C, D	Large size US and small size nationals, fractional & CSA
1013	William R. Martin, Apt. D2 100 E. Glenolden Ave., Glenolden, Pa. 19036	C	Small size notes
1014	Richard Germana, 5538 Hollywood Ave., Maple Heights, Ohio 44137	C	Obsolete currency
1015	John C. Marinace, 17 Tuxedo Drive, RFD 2, Huntington, Long Island 11743	C	Large US, fractionals, CSA
1016	Donald J. Mikalouski, 1362 West 93rd St., Cleveland, Ohio 44102	C	Types 1's, 2's, 5's
1017	Mrs. Thomas Daley, 255 S. Oak St., Palatine, Illinois 60067	C	Coins
1018	Wm. Clark Kelly, 214 McDaniel Building, Springfield, Missouri	C	Fractional currency
1019	Mr. Albert Hawthorne, 915 Main St. E. #2, Hamilton, Ontario, Canada	C	World coins & paper money
1020	Christine A. McGuire, 322 Main St., Palmyra, N. Y. 14522	C	NY State money particularly Civil War, cards, tokens, etc.
1021	Arnold Margolis, 120-16 234 St., Jamaica, N. Y. 11411	C	Small, current \$1
1022	Phillip E. Benedetti, P. O. Box 1144, Darien, Connecticut 06821	C, D	Colonial paper money

1023	G. L. Seaman, 1146 Clark St., Toledo, Ohio	C	
1024	Earnest O. Miller, 4010 Inman Ave., Tampa, Florida	C	Small size silver certificates
1025	William Clower Pearce, 1008 W. Franklin St., PO Box 504, Quincy, Fla. 32357	C	Confederate on individual states
1026	Gene Butcher, P. O. Box 261, Berwyn, Illinois 60403	C, D	
1027	William R. Hulse, 23 Griffin Ave., Westhampton Beach, N. Y. 11978	C	\$1 & \$5 & low numbers
1028	Stephen Bogoff, c/o Hass Coin Co., 80 Nassau St., New York, N. Y. 10038	C, D	
1029	Joseph M. Murphy, 4947 Poola St., Honolulu, Hawaii 96821	C	Hawaii overprint currency
1030	Bill Callison, Strafford, Missouri	C, D	
1031	James J. Reilly, 860 Fairmount Place, Bronx, N. Y. 10460	C	
1032	E. F. Stewart, 571 Reddoch Drive, Jackson, Miss. 39211	C	US currency
1033	Joseph V. Pernicano, 58 Sonia Lane, Broomall, Pa. 19008	C	\$1 notes
1034	Charles A. Orr, 721 E. Laurel St., Compton, Calif.	C	Fractional currency
1035	Frank E. Grillo, 1151 Jackson Blvd., Clearwater, Florida 33515	C	
1036	Lyle L. Thomas, 831 Harding St., Janesville, Wisc. 53545	C	Currency & gold coins
1037	Paul D. Wedge, P. O. Box 333, Pointe Pleasant, West Va. 25550	C	Small size currency
1038	W. C. McCurdie, 136 Seminole Drive, Pittsburgh, Pa. 15228	C	Obsolete & CSA
1039	Michael Justinger, 13377 Park St., Alden, N. Y. 14004	C	Large and small US currency
1040	Cedric C. Reames, 609 SW 60th St., West Des Moines, Iowa	C	Small size US currency
1041	Bob McDaniels, 123 Moody Ave., Knoxville, Tenn. 37920	C	Obsolete currency, esp. Tenn.
1042	Raymond Quiring, 1616 N. Martel Ave., #1, Los Angeles, Calif. 90046	C	US currency
1043	Myron Daniel Bergenskem, 309 State St., Madison, Wisc. 53703	C, D	Egypt, Syria, Iraq
1044	Rodney E. Wesner, 104 King St., Windsor, Missouri 65360	C	Silver certificates
1045	Guyon W. Turner, General Delivery, Taos, New Mexico 87571	C	Small size paper
1046	Dr. Thomas A. McClure, P. O. Box 494, Monett, Missouri 65708	C	
1047	Capt. Carol M. Williams, USAF, Hqs. 7544th Combat Support Group APO 83, New York, N. Y. 09083	C	US currency
1048	W. James McFarland, MD, 208 Main St., Hornell, New York 14843	C	US large & small to \$20
1049	Walter L. Mason, Jr., 12120 Dalewood Dr., Silver Springs, Md. 20902	C	South Carolina & foreign
1050	W. M. Bradley, 310 East Central, Miami, Oklahoma 74354	C, D	Gold & big bills
1051	N. R. Miller, 501 Roosevelt Dr., Shelbyville, Indiana 46176	C	Large size notes
1052	L. Sherwood Blasdel, 509½ Polk St., Amarillo, Texas 79101	C	US currency
1053	Emmett Klopfenstein, 2863 North Durfee Ave., El Monte, Calif. 91723	C	Small size currency and investors
1054	Nevill L. Brugh, RFD #1 Box 42, Troutville, Va., 24175	C	US & Canadian currency
1055	Donald E. Sabo, 3495 Walters Ave., Northbrook, Illinois 60062	C	Fractional currency
1056	Herman H. Snyder, 7117 Lynford St., Philadelphia, Pa. 19149	C	BV keys & complete sets
1057	A. L. Kropp, Sr., 2010 Hackberry Lane, Box 224, Tuscaloosa, Ala.	C	Alabama & Mississippi, old series & currency of national banks
1058	D. Robert MacRae, 560 Kensington Rd., Orange, Calif. 92667	C	Small size notes US \$1 & \$2
1059	John W. Swigart, 409 Penn St., Huntington, Pa.	C	US
1060	Robert W. Sell, 1513 18th Ave., South West, Great Falls, Montana 59401	C	Coins & paper money
1061	Donald E. Pisar, 3106 Oakdale Drive, Temple, Texas 76501	C	Fractional & large US
1062	Raymond B. Wellnitz, 2030 W. Charleston St., Chicago, Ill. 60647	C	State & broken bank notes, confederate & US currency & current foreign notes



1063	George W. Hart, 2916 30th St. SE Apt. 9, Washington, D. C. 20020	C	Coins, medals & paper
1064	Jerry Holcombe, P. O. Box 325, Burnsville, N. C. 28714	C, D	Fractional currency
1065	Lawrence G. Roberts, 62 Sweetwater Ave., Bedford, Mass. 01730	C	Types, small notes
1066	David H. Christensen, 4309 East-West Hwy., Bethesda, Md. 20014	C	US currency
1067	Charles Baker, Parsons Hall 104 C Marietta College, Ohio 45750	C	One dollar notes
1068	Mrs. Gill Brehm, 1129 South Tenth Ave., Sterling, Colorado 80751	C	
1069	Michael J. Kotsobos, 6 Howard Ave., Binghamton, N. Y. 13904	C, D	Current size currency
1070	Artie G. Wells, 913 Mission Ridge Rd., Roseville, Ga. 30741	C	Type set
1071	John Porter, 593 Sturtevant Dr., Sierra Madre, Calif.	C	
1072	P. Beaumont, P. O. Box 182, Brea, Calif. 92621	C	US, Mexican, Canadian 1c & US \$1
1073	T. C. Oakley, P. O. Box 909, Quincy, Illinois	C	Small size of all kinds
1074	J. F. Eckman, 1370 Bertha, Ferndale, Michigan 48220	C	Small notes
1075	Leonard R. Osman, 4425 Paseo Blvd., Kansas City, Mo. 64110	C	Old currency and type sets
1076	George Garvin, 94 Atlantic Ave., Manasquan, N. J.	C	Currency
1077	Harold J. Williams, 2529 N. Menard, Chicago, Illinois 60639	C	
1078	Roy G. Johnson, 248 Wood Street, Western Port, Md. 21562	C	General
1079	George L. Verrall, P. O. Box 566, State College, Miss. 39762	C	Small size US
1080	Richard H. Schweers, 6138 Longmont Drive, Houston, Texas 77027	C	Small size legal tender and silver certificates
1081	Victor R. Anderson, 28448 Patricia, Warren, Michigan 48092	C	\$1 FRN and silver certificates
1082	D. M. Keefer, 3510 NE Klickitat St., Portland, Oregon 97212	C	Foreign, wartime and emergency
1083	George W. Ward, Box 452, Buhler, Kansas 67522	C	General
1084	Isidore J. Stadtherr, Kneipp Springs, Rome City, Indiana	C	Nickels and type coins
1085	Carolyn G. Quagliana, 641 Amherst St., Buffalo, N. Y. 14207	C	\$1-\$2-\$5 US
1086	James R. Budd, 130 Chicago Avenue, Oak Park, Illinois	C	Obsolete
1087	Frank O. Frazier, Sr., 1810 McClung St., Charleston, W. Va. 25311	C	Amateur
1088	Clifford C. Snyder, MD, 1316 Alhambra Circle, Coral Gables, Fla. 33134	C	US all types
1089	Thorwald M. Bock, 8802 Quakertown Avenue, Northridge, Calif. 91325	C	Small silver certificates, dollars, plate numbers & official numbers
1090	American Bank Note Company, Attn. Mr. W. F. Colclough, 70 Broad Street, New York, N. Y. 10004		
1091	Richard E. Buenger, MD, 1753 W. Congress Pkwy., Chicago, Illinois 60612	C	
1092	Frederick R. Baker, P. O. Box 1, Delaware, Ohio 43015	C	
1093	Gorden M. Perisho, MD, 1416 Maine St., Quincy Illinois 62301	C	
1094	Luther J. Hultquist, 50 Penna. Ave. East, Warren, Pa.	C	
1095	Edgar W. Blik, 11 Lake Crescent Drive, East Rochester, N. Y. 14445	C	US \$1, \$2, \$5 & fractional
1096	Dennis Forgue, P. O. Box 750, Hillside, Illinois	C, D	US \$1, Confederate & obsolete
1097	Dr. Jules Korman, 281-6th Ave., New York, N. Y. 10014	C	Small size US
1098	Delmar C. Wise, 1904 NE Hancock St., Portland, Oregon 97212	C	Canadian & foreign crowns
1099	J. W. McGaughey, P. O. Box 2676, Palm Beach, Fla.	C	
1100	Perry L. Jones, 1807 Pearl St., Austin, Texas 78701	C	National Currency—Texas Banks
1101	Louis Hait, 125 West 21st. St., Lorain, Ohio 44052	C	US
1102	Paul W. Heckman, 138 N. Main St., Nazareth, Pa. 18064	C	General
1103	James A. Greene, 425 Grand Blvd., Boone, N. C. 28607	C	Small size US, North Carolina broken bank
1104	Nathan L. Krasnov, 14 Harding Court, Southbridge, Mass. 01550	C	Silver certificates
1105	William R. Geijsbeek, 7325 Rainier Ave., S. Apt. #103, Seattle, Washington 98118	C	Small size US

1106	Fred F. Heckman, 94 Varsity Road, Newark, N. J.	C	US currency
1107	Elwin L. Musser, 2820 S. Adams, Mason City, Iowa 50401	C	Small size \$1 & \$2
1108	Sherman E. Stambaugh, 414 N. Forest St., York, Pa. 17404	C	Small denominations
1109	Elmo Burgess, 2104 E. 12th St., Chattanooga, Tenn. 37404	C	Small size US
1110	John Crawford, 1525 Wabash Ave., Linwood, N. J. 08221	C	Colonials and large size US
1111	A. K. Dole, 330 W. 5th St., Lewistown, Pa. 17044	C, D	Fractional & large size US
1112	Gilbert G. Steinberg, 211 W. 57th St., New York, N. Y. 10019	C, D	Large size US
1113	Edward Zaremba, 118 Glassen Dr., Dallas, Texas 75428	C	US
1114	Bryan R. Burnett, 851 Cordova St., San Diego, Cal. 92107	C	Confederate and broken bank
1115	Maj. Gen. Kenneth Stiles USAFR, B1009, 1600 S. Joyce St., Arlington, Va. 22202	C	US
1116	William B. Davidson, 211 East Kline St., Girard, Ohio 44420	C	Small size US
1117	T. H. Ingram, Jr., Box 815, Fairhope, Alabama 36532	C	US small size currency, Central & South American currency, & Canadian & British currency
1118	L. J. Kazor, 1306 Hollycrest Drive, Champaign, Illinois	C	Military scrip, depression scrip
1119	Herb Weston, 1222 Kansas Avenue, Topeka, Kansas	C, D	Kansas nationals, large & small
1120	Rev. Ralph R. Johnson, 402 W. Leeland Hgts. Blvd., Lehigh Acres, Florida 33936	C	US
1121	Philip E. Benedetti, Jr., P. O. Box 1144, Darien, Conn.	C, D	US
1122	Robert F. Latta, P. O. Box 87, Corinth, Mississippi, 38834	C	Small size notes
1123	Michael Miller, 80 South Penn Street, Manheim, Pa. 17545	C	
1124	Floyd H. Clark, 4920 South Dixie Hwy., Lima, Ohio 45806	C	US \$1 bills
1125	Mrs. Sarah Gwin Kelsh, 1242 Ashbury Avenue, Evanston, Illinois	C	SC Confederate & state notes; small, large \$2
1126	Richard H. Alexander, 240 North Harvard St., Allston, Mass. 02134	C	Small currency, coins
1127	Harold Whitley, King Edward Hotel, Jackson, Mississippi	C, D	Confederate & Mississippi Confederate
1128	Edward L. Stephens, 21 Rockrose Drive, Newark, Delaware 19711	C	Small \$1
1129	Robert Reynolds, 4106 Walnut Hill Lane, Dallas, Texas 75229	C	
1130	Norman Martin, 3005 Unruh Avenue, Philadelphia, Pa. 19419	C	Small size currency
1131	V. J. Ashbaugh, Sr., 1022 Westwood Drive, Durham, N. C. 27707	C	Low-odd serial numbers
1132	Edwin Scott, 2054 Bradley Road, Westlake, Ohio	C	US coins
1133	Howard C. Pardee, USCG Academy, Band, New London, Conn. 06320	C	Small size notes
1134	William F. Holmes, Campbells Run Road, McKees Rocks, Pa. 15136	C	General
1135	Richard Murcott, 1408 N. Jerusalem Road, North Merick, NY 11566	C	Current size notes (silver certificates & US notes)
1136	Joseph L. Diodata, 20 Baltimore Street, Hanover, Penn. 17331	C, D	Obsolete & broken bank notes
1137	John L. Hooper, Box 144, Marietta, Ga. 30061	C, D	Large & small US currency
1138	Grant Woldum, Federal Reserve Exchange, Decorah, Iowa 52101	C, D	
1139	Karl F. Heuer, Box 201, Lafayette, Calif. 94549	C, D	\$1, \$2 bills & gold certificates
1140	Edwin R. Zeitz, 85 Judson Avenue, New Haven, Conn. 06511	C	Silver certificates
1141	Howard Carter, MD, 9012 Cherokee Lane, Leawood, Kansas, 66206	C	National bank notes of Missouri
1142	Charles A. Powell, 76 Cedar Lane, Clementon, New Jersey	C	Numismatics in general
1143	Joseph Gilio, 15 East Euclid St., Valley Stream, New York 11580	C	Small currency 1928
1144	Dayton H. Winter, 405 8th Ave., SW, Independence, Iowa 50644	C	
1145	Robert C. Jones, 3634 Greenland Avenue NW, Roanoke, Virginia 24102	C	Silver certificates (\$1)

1146	William Fife, 962 Dingley Dell, Victoria, BC, Canada	C	Canadian
1147	John R. Grubb, Box 39, Pomeroy, Pa. 19367	C	General
1148	Mrs. C. E. Shalley, 708 6th Street, Nevada, Iowa 50201	C	Coins & paper money
1149	William T. House, 8554 S. Essen Heights Ct., Baton Rouge, La. 70809	C	
1150	Art Jones, 246 N. Broad Street, Elizabeth, New Jersey	C, D	Coins
1151	Mrs. Viola B. Stanley, 1523 Wellesley Avenue, W. Los Angeles, Calif.	C	
1152	O. V. Neilson, 1220 L Street Aurora, Nebraska 68818	C, D	
1153	Charles E. Elliott, Route 1 Box 208, Ocean City, Md. 21842	C	
1154	J. F. Pollard, P. O. Box 567, Biscayne Annex, Miami, Florida	D	US large size, fractional currency
1155	Earle T. Myers, 507 N. 22nd St., Tampa, Florida	C, D	Fractional large bills
1156	Jerry Kadlicek, 1238 Gunderson Avenue, Berwyn, Illinois 60402	C	Large size US currency
1157	Duane T. Lockwood, 2990 Indianola Ave., Columbus 2, Ohio	D	
1158	Mrs. Casimir Jacobs, 3211 W. 116th Street, Cleveland, Ohio 44111	C	Paper money

**Reinstated**

176	Arnold Perl, 305 East 10th St., New York 9, N. Y.	C	Colonial, encased postage & US small size notes
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**Change of Name or Address**

31	Leonard W. Stark, 112 South Dearborn, Chicago 60603
96	Gary E. Nathan, 516 E. Capitol Ave., Springfield, Illinois
97	Jim Grebinger, 164 N. Humphrey St., Oak Park, Illinois 60302
138	Donald B. Wentzel, P. O. Box 467, Millville, New Jersey 08332
157	Edward L. Oschman, 135 Longvue Drive, Pittsburgh, Pa. 15237
158	Ethie P. Everest, 10622 Dunaway Drive, Dallas, Texas 75228
215	Harry Flower, 5200 West Harrison St., Chicago, Ill. 60644
224	Vernon L. Brown, 136 East 55th St., New York, N. Y. 10022
239	A2C Robert P. Geden, AF 12685008, P. O. Box 6256, Goodfellow AFB, Texas 76904
307	Marvin D. Ashmore, 2309 Second Street, Port Neches, Texas
309	B. R. Brady, 1802 Texas Ave., Lubbock, Texas 79401
342	Col. Grover C. Criswell, Jr., P. O. Box 6206 St. Petersburg, Fla.
358	Bill Halliwell, 19500 Euclid Avenue, Euclid, Ohio 44117
380	Dr. Leonard M. Rothstein, 2409 Sylvale Road, Baltimore, Md. 21209
393	David W. Karp, 800 S. 4th Apt. 2201 Louisville, Kentucky 40203
405	Major Kenneth C. Levin, Hq. CMDT 3rd Inf. Div., APO New York, N. Y. 09036
412	Hal Woolway, 1025 Palms Blvd., Venice, Cal., 90291
422	Paul A. Younce, 5010 Daleview Ave., Temple City, Cal. 91780
423	George W. Killian, 162 Seneca Road, Rochester, New York 14622
424	Henry O. Nouss, P. O. Box 219, Boca Raton, Fla. 33432
440	Charles S. De Groat, 902 Maple, Apt. D, El Paso, Texas
486	Edward L. Farioly, 15 Golden Hill, Danbury, Conn.
504	Robert F. Evans, 2611 Springfield Drive, Indianapolis, Ind. 46208
515	Col. Thomas H. Bradley (Ret.), 3055 Larkin Road, Pebble Beach, Cal. 93953
538	Louis J. Rambo, 104 S. 5th Ave., Coatsville, Penn. 19320
547	Rudolph L. Leuckart, P. O. Box 2598, East Cleveland, Ohio 44112



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## UNITED STATES

## OBSOLETE PAPER MONEY AND SCRIP

C-1—Criswell, Grover C., and Clarence L., *Criswell's Currency Series*. Vol. 1. *Confederate and Southern States Currency*. Including the "Territory of Florida" and the "Republic and Government of Texas." 277 pp. Illus. 1957 (Charles F. Warren) 25c

M-1—Marckhoff, Fred "Early Currency of the West." Illus. *Frontier Times Magazine* 1964. (Fred Marckhoff) 15c

## UNITED STATES NOTES AND FRACTIONAL CURRENCY

R-1—Rothert, Matt. *A Guide Book of United States Fractional Currency*. 81 pp. Illus. 1963, two copies. (Charles Warren and Matt Rothert) 15c

## ASIA

## JAPAN

S-1—Slabaugh, Arlie R. "Japanese Invasion Money". From *Numismatic Scrapbook Magazine*. 1962. 12 pp. Illus. (Charles F. Warren) 10c

## NUMISMATIC PUBLICATIONS

F-1—*Federal Brand Eagle*. May 1964. 438 obsolete notes priced. (Earl Hughes) 10c

S-2—*Paper Money*. Society of Paper Money Collectors. Winter 1962, Summer 1963, Fall 1963. 10c each.

## PRICED AUCTION CATALOGUES

J-1—James, Inc. *Unreserved Auction Sale*. 1956. 467 lots obsolete notes, 296 lots U. S. paper money. (Earl Hughes) 15c

## VIRGINIA BANK NOTES WANTED FOR MY COLLECTION

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CULPEPER AGRICULTURAL & MANUFACTURING SOCIETY  
APPOMATTOX SAVINGS BANK  
FARMERS BANK OF FINCASTLE  
BANK OF MANASSA, FRONT ROYAL  
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BANK OF BERKELEY IN VIRGINIA, MARTINSBURG  
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PHOENIX BANK, RICHMOND  
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## Literature

7. New "Encyclopedia of World Paper Money" by George J. Sten. 152 pages. 8½x11. 600 notes and odd inscriptions reproduced. Authentic. \$5.00 postpaid.
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# CONFEDERATE STATES BONDS FOR TRADE

Criswell No.	Affleck Douglas No.	Amount	Loan Act	Redemption Date	Type Of Bond	Description
5	4	\$ 50	2-28-61	9-1-71	Coupon	Thick paper
5A	4	50	2-28-61	9-1-71	Coupon	Thin fiber paper
6	3	100	2-28-61	9-1-71	Coupon	Thick paper
6A	3	100	2-28-61	9-1-71	Coupon	Thin fiber paper
7	2	500	2-28-61	9-1-71	Coupon	Green Medallion
8	1	1,000	2-28-61	9-1-71	Coupon	Green Medallion
13	10	1,000	5-16-61	9-1-72	Coupon	Loading cotton
20	70	50	8-19-61	1-1-75	Coupon	Thomas Bragg
28	39	100	8-19-61	7-1-68	Coupon	Man's head
29	42	100	8-19-61	7-1-69	Coupon	R. M. T. Hunter
38	69	100	8-19-61	1-1-75	Coupon	R. M. T. Hunter
41	79	100	8-19-61	1-1-77	Coupon	Gen. Beauregard
43A	86	100	8-19-61	1-1-78	Coupon	No engr. name
47	98	100	8-19-61	7-1-80	Coupon	R. M. T. Hunter
48	101	100	8-19-61	7-1-81	Coupon	E. C. Elmore
51	23	500	8-19-61	7-1-65	Coupon	Liberty seated
53	29	500	8-19-61	1-1-67	Coupon	Woman & 3 children
61	53	500	8-19-61	7-1-72	Coupon	J. P. Benjamin
63	61	500	8-19-61	7-1-73	Coupon	S. R. Mallory
71	88	500	8-19-61	7-1-78	Coupon	J. P. Benjamin
73	94	500	8-19-61	1-1-80	Coupon	R. M. T. Hunter
79	25	1,000	8-19-61	7-1-66	Coupon	Vignette man's head
99	90	1,000	8-19-61	7-1-79	Coupon	Female seated
101	96	1,000	8-19-61	7-1-80	Coupon	J. H. Reagan
102	99	1,000	8-19-61	7-1-81	Coupon	C. G. Memminger
103	104	Written	8-19-61	Var. 61-81	Cert.	Ship
104	104	Written	8-19-61	Var. 61-81	Cert.	Ship
105	105	Written	8-19-61	Var. 64-81	Cert.	Ship
106	193	Written	8-19-61	Var. 64-81	Cert.	Ship
107	106	Written	12-24-61	1-1-72	Cert.	Female-Horn of Plenty
108	107	Written	12-24-61	1-1-72	Cert.	Litho. Hoyer & Ludwig
109	108	Written	12-24-61	1-1-72	Cert.	No engr. name
111	109	500	4-12-62	5-1-72	Coupon	C. G. Memminger
120	123	100	2-20-63	7-1-68	Coupon	Confed. Officer
121	121	500	2-20-63	7-1-68	Coupon	Confed. Soldier
122	120	1,000	2-20-63	7-1-68	Coupon	Stonewall Jackson
123	117	100	2-20-63	7-1-68	Coupon	A. H. Stephens
123A	116	100	2-20-63	7-1-68	Coupon	Litho. name bottom rt.
124	115	500	2-20-63	7-1-68	Coupon	C. G. Memminger
125	113	1,000	2-20-63	7-1-68	Coupon	Jefferson Davis
126	119	Written	2-20-63	7-1-68	Cert.	Male reclining
127	124	Written	2-20-63	7-1-68	Cert.	Mounted Overseer
130	125A	1,000	3-23-63	4-1-93	Coupon	Custom House
130A	125	1,000	3-23-63	4-1-93	Coupon	Eng. name, bottom left
135	132	Written	3-23-63	6 mo.	Cert.	Ship
138	134	1,000	4-20-63	6-1-83	Coupon	James A. Sedden
139	196	Written	2-11-64	None	Cert.	Ships
140A		Written	2-11-64	None	Cert.	Watermarked C. S. A.
141	140	100	2-17-64	7-1-84	Coupon	Naval Battle
142	176	100	2-17-64	7-1-94	Coupon	Equestrian Statue Washington
142A	177	100	2-17-64	7-1-94	Coupon	Equestrian Second Series
152	187	100	2-17-64	2 yr. after Peace	Cert.	Stile
153	186	500	2-17-64	2 yr. after Peace	Cert.	Stile
154	185	1,000	2-17-64	2 yr. after Peace	Cert.	Stile
155	184	5,000	2-17-64	2 yr. after Peace	Cert.	Stile
162	155	100	2-17-64	On demand	Cert.	Pink paper
162A	154	500	2-17-64	On demand	Cert.	Pink paper
162C	152	2,000	2-17-64	On demand	Cert.	Pink paper
162D	151	3,000	2-17-64	On demand	Cert.	Pink paper
162G	148	20,000	2-17-64	On demand	Cert.	Pink paper

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References: Oneida National Bank & Trust Co. Utica, New York.